

## Message Text

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ACTION EA-12

INFO OCT-01 ISO-00 SOE-02 AID-05 CEA-01 CIAE-00  
DODE-00 EB-08 DOE-15 H-01 INR-10 INT-05 L-03  
NSAE-00 NSC-05 OMB-01 PM-05 ICA-11 OES-07 SP-02  
SS-15 STR-07 TRSE-00 ACDA-12 /128 W  
-----110885 250928Z /10

P R 250735Z MAY 78  
FM AMEMBASSY SINGAPORE  
TO USDOC WASHDC PRIORITY  
INFO SECSTATE WASHDC 324  
AMEMBASSY KUALA LUMPUR

C O N F I D E N T I A L SINGAPORE 2311

FOR COMMERCE/BED/MEPD

E.O. 11652: GDS  
TAGS: BENC, BEXP, SN  
SUBJECT: BINTULU LNG PLANT

REF: KUALA LUMPUR 2664

1. BEGIN UNCLASSIFIED. LOCAL SINGAPORE FIRM REQUIRES CONTACTS WITH MAJOR EQUIPMENT SUPPLIERS WHO CAN OFFER LARGE PACKAGES OF LNG PROCESSING PLANT TO BE BUILT BY PETRONAS (MALAYSIA GOVERNMENT PETROLEUM COMPANY) IN THE EAST MALAYSIAN STATE OF SARAWAK, ON A 100 HECTARE SITE OUTSIDE OF THE PORT CITY OF BINTULU. THE LIQUIFICATION PLANT IS PLANNED TO HAVE A CAPACITY OF ABOUT 6.4 MILLION METRIC TONS PER ANNUM OF LNG INTO STORAGE, CORRESPONDING WITH A PLANT INTAKE OF 1250 MSCF/D, BASED ON A FEED GAS OF EXPECTED AVERAGE COMPOSITION WITH A HIGH HEATING VALUE OF 1006 BTU/SCF. THE LIQUIFICATION PLANT CONSISTS OF THREE PARALLEL LNG PRODUCTION MODULES CONSISTING OF VARIOUS UNITS, I.E., GAS INLET, SULFINOL, RECLAIMER, DEHYDRATION, LIQUEFACTION, FRACTIONATION, STORAGE. DETAILS CONCERNING UTILITIES REQUIREMENTS, CONFIDENTIAL

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STORAGE TANKS, LOADING FACILITIES ARE AVAILABLE FROM THE LOCAL FIRM LISTED BELOW. THE FEED GAS COMPOSITION, INLET CONDITIONS, AND LNG PRODUCT SPECIFICATIONS ARE KNOWN. PLANT DESIGN WILL BE OF MAXIMUM FLEXIBILITY TO HANDLE DESIGN, LEAN, AND RICH GAS WITH LIMITS ON CENTRIFUGAL COMPRESSORS OF ACTUAL SUCTION VOLUME PER WHEEL 175000 M3/H MAX POWER ABSORBED AT DESIGN POINT

33600 KW MAX AND POWER TURBINES OUTPUT 37300 KW MAX.  
EQUIPMENT CRITERIA ARE AVAILABLE FOR THE REQUIRED  
CRYOGENIC HEAT EXCHANGERS, REFRIGERANT TURBOCOMPRESSORS,  
GAS TURBINES, STORAGE AND HANDLING FACILITIES, PUMPING  
ARRANGEMENTS, OFFSHORE MARINE STRUCTURES, FLARE SYSTEM,  
TELECOMMUNICATIONS, FIRE FIGHTING SYSTEM, ETC.

2. THE OVERALL PROJECT COST ESTIMATES (CALCULATED IN 1976)  
EXCEED US\$1 BILLION FOR THE WHOLE PROJECT BUT THE FINAL  
CAPITAL EQUIPMENT COSTS COULD APPROACH DOUBLE  
THAT FIGURE AS THE GOVERNMENT OF MALAYSIA IS KEEN TO  
GO AHEAD FULL-SPEED WITH THE PROJECT, A JOINT VENTURE WITH  
THE MALAYSIAN GOVERNMENT, MITSUBISHI, AND SHELL AS  
PARTNERS. PETRONAS IS THE MAJOR PARTNER.

3. THE LOCAL FIRM INTERESTED IN PUTTING TOGETHER  
THE AMERICAN SUBPACKAGES CLAIMS TO BE ABLE TO ARRANGE  
APPROPRIATE MEETINGS IN KUALA LUMPUR WITH THE TOP LEVEL  
GOVERNMENT AND PETRONAS OFFICIALS WHO ARE ANXIOUS TO  
DISCUSS THE PROJECT WITH SERIOUS MAJOR SUPPLIERS IN ORDER  
TO ESTABLISH A LIST OF QUALIFIED TENDERERS. THE LOCAL  
CONTACT WHO WISHES TO VISIT INTERESTED SUPPLIERS IN  
JUNE IS:

MR. SOON KIAN LEONG  
MANAGING DIRECTOR  
JENKEN (S) PTE. LTD.

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JURONG MARINE BASE  
45 SHIPYARD ROAD  
SINGAPORE 22.  
TELEX: RS 21475  
TEL: 654733

HIS BANK REFERENCE IS DEVELOPMENT BANK OF SINGAPORE,  
SHENTON WAY, SINGAPORE 1. TRADE REFERENCES ARE AMIN  
SATEM, SARWAK CEMENT, KUCHING, SARAWAK, MALAYSIA;  
WILLIAM BURKE, PRICE INTERNATIONAL, SHAW CENTRE 1801, SINGAPORE  
9; JOHN CONE, DREXEL OILFIELD SERVICES, SHAW HOUSE, SINGAPORE 9.  
WTDR IN PREPARATION.

4. COMMENT: POST URGES THAT USDOC/MEPD ASSIGN AN OFFICER TO ALERT  
APPROPRIATE LARGE MANUFACTURERS OF GREAT POTENTIAL OF THIS  
PROJECT AND TO ARRANGE APPOINTMENTS FOR MR. SOON'S VISIT NEXT  
MONTH. PLEASE CABLE NAME AND TELEPHONE NUMBER OF CONTROL  
OFFICER ASSIGNED TO THIS MAJOR PROJECT. SOON ALSO IS SEEKING  
CONSULTANT FIRMS FOR DESIGNING MALAYSIAN PETROLEUM REFINERY  
WHICH IS AT LEAST ANOTHER US\$1 BILLION PROJECT UNDER SERIOUS  
CONSIDERATION AND ALSO A UREA FERTILIZER PLANT. PETRONAS  
WILL FINANCE THE PROJECTS FROM INTERNAL RESERVE FUNDS TO A

LARGE EXTENT AND LOANS SHOULD BE READIYLY AVAILABLE. END  
UNCLASSIFIED.

5. BEGIN CONFIDENTIAL: SOON'S COMPANY HAS NO SPECIAL  
EXPERTISE IN LNG PROJECTS. WHAT HE CLAIMS TO HAVE TO OFFER  
ARE HIGH-LEVEL CONTACTS IN PETRONAS (TOP THREE MAN) AND IN  
MALAYSIAN GOVERNMENT (DEPUTY PM); I.E., HE WOULD LIKE TO BE THE  
MIDDLEMAN IN PUTTING TOGETHER A PACKAGE OF U.S. MANUFACTURERS  
OF LNG PLANT EQUIPMENT. HE HOPES THAT BY SUBMITTING  
EARLY PACKAGE TO PETRONAS HE WILL BE ABLE TO  
INFLUENCE PREPARATION OF TENDER SPECIFICATIONS TOWARD  
AMERICAN DESIGNS. WHILE PLANT IS CLEARLY A MAJOR OPPORTUNITY  
FOR U.S. SUPPLIERS (SOME OF WHOM NO DOUBT ARE ALREADY WELL  
AWARE OF PROJECT) AND WORTH CONSIDERABLE USDOC EFFORT, WE  
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ARE OBLIGED TO RECOMMEND SOME CAUTION IN DEALING WITH SOON  
SINCE WE CANNOT BE CERTAIN OF NATURE OF HIS CONTACTS WITH  
PETRONAS NOR OF HOW HE MIGHT USE THEM. WE WOULD APPRECIATE  
EMBASSY KUALA LUMPUR'S COMMENTS. END CONFIDENTIAL.  
HOLDRIDGE

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 25 may 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
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**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Expiration:**  
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**Reference:** 78 KUALA LUMPUR 2664  
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**Review Event:**  
**Review Exemptions:** n/a  
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**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 2567391  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** BINTULU LNG PLANT  
**TAGS:** BENC, BEXP, SN  
**To:** COM  
**Type:** TE  
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**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
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